

Are You Ready?

How do owners determine what they need to be “prepared” or “ready” to transition their businesses? Here’s a set of 10 simple elements to consider.

You are “prepared” or “ready” to transition your business if...	YES
<ul style="list-style-type: none"> ✦ You invested resources getting educated on the process of how to transition your business, and you discussed transitioning with your loved ones. _____ 	
<ul style="list-style-type: none"> ✦ Your personal, financial and business goals are defined and aligned. _____ 	
<ul style="list-style-type: none"> ✦ You created your core team of advisors – an exit advisor, a CPA, a lawyer, a wealth or financial advisor, and spouse or partner or other family who is a “significant other” in your life. _____ 	
<ul style="list-style-type: none"> ✦ You created a contingency plan (that includes buy-sell instructions, appropriate insurance and specifies what happens if you are unwillingly forced into transition) AND you reviewed this contingency plan with your core team of advisors. _____ 	
<ul style="list-style-type: none"> ✦ You completed a strategic analysis, business valuation and personal, financial and business assessment(s) within the last year. _____ 	
<ul style="list-style-type: none"> ✦ You considered of all your exit options and optimum deal structure and weighed the pros and cons of each in relation to your stated goals and objectives. _____ 	
<ul style="list-style-type: none"> ✦ Your transition plan is written – and includes: goals and objectives; clear tasks and accountabilities; a defined transition team, process and plan leader; timelines; a budget; and your role before and after transition. This plan ideally has a multi-year implementation timeline. _____ 	
<ul style="list-style-type: none"> ✦ You considered and designed a “post business life plan”, which is part of your wealth management plan prepared by a professional financial advisor in concert with estate planning, insurance, tax and charitable foundation specialists. _____ 	
<ul style="list-style-type: none"> ✦ You have a pre-transition value enhancement / preliminary due diligence project underway to de-risk your business, maximize value, minimize taxes upon transition and improve the probability of a smooth transition to the next owner (including family). This plan ideally has a multi-year implementation timeline. _____ 	
<ul style="list-style-type: none"> ✦ You have a management program underway to ensure post transition leadership operates the business successfully after you exit and you secured the appropriate specialists to handle your desired transition option. _____ 	